

**NEXGRAM HOLDINGS BERHAD**  
(Company No. 660055-H)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 30 APRIL 2021**

NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30 APRIL 2021 RM	PRECEDING YEAR CORRESPONDING QUARTER 30 APRIL 2020 RM	CURRENT YEAR TO-DATE 30 APRIL 2021 RM	PRECEDING YEAR CORRESPONDING PERIOD 30 APRIL 2020 RM
<b>Revenue</b>		27,716,795	4,497,222	73,957,181	25,438,328
Operating expenses		(29,068,061)	(5,529,306)	(74,135,263)	(26,031,988)
<b>Loss from operations</b>		<b>(1,351,266)</b>	<b>(1,032,084)</b>	<b>(178,082)</b>	<b>(593,660)</b>
Depreciation		(65,708)	(150,299)	(485,450)	(516,401)
Share of (loss)/profit from an associate		(145,802)	69,086	225,790	138,985
Finance costs		154,349	(142,516)	(2,483,418)	(1,558,301)
Interest income		207,414	60,514	293,201	239,174
<b>Loss before taxation</b>		<b>(1,201,013)</b>	<b>(1,195,299)</b>	<b>(2,627,959)</b>	<b>(2,290,202)</b>
Taxation	B5	(170)	7,778	19,725	(110,742)
<b>Loss for the period</b>		<b>(1,201,183)</b>	<b>(1,187,521)</b>	<b>(2,608,234)</b>	<b>(2,400,944)</b>
<b>Other comprehensive loss, net of tax</b>					
Foreign currency translation available-for-sale financial assets		(2,892,025)	5,836,183	(3,717,882)	3,708,759
		-	-	-	-
		<b>(2,892,025)</b>	<b>5,836,183</b>	<b>(3,717,882)</b>	<b>3,708,759</b>
<b>Total comprehensive (loss)/profit for the period, net of tax</b>		<b>(4,093,208)</b>	<b>4,648,662</b>	<b>(6,326,116)</b>	<b>1,307,815</b>
<b>Loss for the period attributable to:</b>					
Equity holders of the Company		(989,329)	(655,878)	(2,835,145)	(2,321,477)
Non-controlling interests		(211,854)	(437,329)	226,911	(79,467)
<b>Profit/(Loss) for the period</b>		<b>(1,201,183)</b>	<b>(1,187,521)</b>	<b>(2,608,234)</b>	<b>(2,400,944)</b>
<b>Total comprehensive (loss)/profit attributable to:</b>					
Equity holders of the Company		(3,881,354)	5,100,980	(6,553,027)	1,387,282
Non-controlling interests		(211,854)	(437,329)	226,911	(79,467)
<b>Total comprehensive (loss)/profit for the period</b>		<b>(4,093,208)</b>	<b>4,648,662</b>	<b>(6,326,116)</b>	<b>1,307,815</b>
Earnings per share attributable to equity holders of the Company:-					
- Basic (sen)	B12	(0.04)	(0.03)	(0.12)	(0.11)
- Diluted (sen)		(0.04)	-	-	-

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2020 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 22)

**NEXGRAM HOLDINGS BERHAD**  
Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AT 30 APRIL 2021 (UNAUDITED) RM	AT 31 JULY 2020 (AUDITED) RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,935,130	2,291,296
Investment properties	10,100,000	10,100,000
Intangible assets	307,727	-
Goodwill on consolidation	41,633,257	33,730,734
Investment in associate	1,361,079	1,135,289
Investment in quoted shares	5,229,847	6,240,624
Right of use asset	3,995,860	4,075,229
Inventories	22,614,225	22,614,225
<b>Total non-current assets</b>	<b>107,177,125</b>	<b>80,187,397</b>
<b>Current assets</b>		
Inventories	39,706,614	3,548,417
Receivables	47,050,566	25,042,418
Tax recoverable	424,616	233,816
Amount owing by an associate	267,715	359,272
Fixed deposits with licensed banks	19,823,371	13,468,811
Cash and bank balances	6,923,514	8,701,948
<b>Total current assets</b>	<b>114,196,396</b>	<b>51,354,682</b>
<b>Total assets</b>	<b>221,373,521</b>	<b>131,542,079</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent:</b>		
Share capital	215,119,923	206,519,923
Reserves	33,889,614	20,929,584
Accumulated losses	(141,063,355)	(138,228,210)
Shareholders' funds	107,946,182	89,221,297
Non controlling interests	13,536,443	6,768,058
<b>Total equity</b>	<b>121,482,625</b>	<b>95,989,355</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	13,710,841	9,929,688
Lease liability payable	343,885	338,747
Deferred tax liabilities	986,580	358,272
<b>Total non-current liabilities</b>	<b>15,041,306</b>	<b>10,626,707</b>
<b>Current liabilities</b>		
Payables	18,195,346	19,507,036
Amount owing to directors	7,574,615	2,487,463
Loans and borrowings	58,282,052	2,649,713
Lease liability payable	700,795	135,635
Tax payables	96,782	146,170
<b>Total current liabilities</b>	<b>84,849,590</b>	<b>24,926,017</b>
<b>Total liabilities</b>	<b>99,890,896</b>	<b>35,552,724</b>
<b>Total equity and liabilities</b>	<b>221,373,521</b>	<b>131,542,079</b>
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>	<b>4.511</b>	<b>4.280</b>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2020 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 22)

NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

<----- Attributable to owners of the parent ----->

	Non-Distributable								Distributable		Total equity RM	
	Share capital RM	Warrants reserve RM	Fair value reserve RM	Revaluation reserve RM	Treasury share RM	Translation reserve RM	Irredeemable Convertible Preference Share RM	Redeemable Convertible Preference Share RM	Accumulated loss RM	Total RM		Non-controlling interests RM
At 1 August 2020	206,519,923	6,281,395	(3,944,998)	558,701	(245,000)	(4,315,179)	20,554,665	2,040,000	(138,228,210)	89,221,297	6,768,058	95,989,355
Transaction with owners:												
- Conversion of ICPS	8,600,000	-	-	-	-	-	(4,300,000)	-	-	4,300,000	-	4,300,000
- Issuance of RCPS	-	-	-	-	-	-	-	19,500,000	-	19,500,000	-	19,500,000
- Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	6,541,474	6,541,474
- Foreign currency translation	-	-	-	-	-	(2,239,970)	-	-	-	(2,239,970)	-	(2,239,970)
Total transactions with owners	8,600,000	-	-	-	-	(2,239,970)	(4,300,000)	19,500,000	-	21,560,030	6,541,474	28,101,504
Loss for the financial period	-	-	-	-	-	-	-	-	(2,835,145)	(2,835,145)	226,911	(2,608,234)
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	-	-	-	-	-	(2,835,145)	(2,835,145)	226,911	(2,608,234)
At 30 April 2021	<u>215,119,923</u>	<u>6,281,395</u>	<u>(3,944,998)</u>	<u>558,701</u>	<u>(245,000)</u>	<u>(6,555,149)</u>	<u>16,254,665</u>	<u>21,540,000</u>	<u>(141,063,355)</u>	<u>107,946,182</u>	<u>13,536,443</u>	<u>121,482,625</u>
At 1 August 2019	200,719,923	6,281,395	(1,024,008)	583,543	(245,000)	(4,741,215)	-	-	(76,360,757)	125,213,881	7,556,828	132,770,709
Adjustment on initial application of MRFS 16, net of tax	-	-	-	-	-	-	-	-	(907)	(907)	-	(907)
At 1 August 2019, restated	200,719,923	6,281,395	(1,024,008)	583,543	(245,000)	(4,741,215)	-	-	(76,361,664)	125,212,974	7,556,828	132,769,802
Transaction with owners:												
- Issuance of ICPS	-	-	-	-	-	-	23,454,665	-	-	23,454,665	-	23,454,665
- Conversion of ICPS	5,800,000	-	-	-	-	-	(2,900,000)	-	-	2,900,000	-	2,900,000
- Issuance of RCPS	-	-	-	-	-	-	-	2,040,000	-	2,040,000	-	2,040,000
- Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	173,377	173,377
- Realisation of revaluation	-	-	-	(24,842)	-	-	-	-	24,842	-	-	-
Total transactions with owners	5,800,000	-	-	(24,842)	-	-	20,554,665	2,040,000	24,842	28,394,665	173,377	28,568,042
Loss for the financial year	-	-	-	-	-	-	-	-	(61,891,388)	(61,891,388)	(962,147)	(62,853,535)
Other comprehensive (loss)/income for the year	-	-	(2,920,990)	-	-	426,036	-	-	-	(2,494,954)	-	(2,494,954)
Total comprehensive loss for the financial year	-	-	(2,920,990)	-	-	426,036	-	-	(61,891,388)	(64,386,342)	(962,147)	(65,348,489)
At 31 July 2020	<u>206,519,923</u>	<u>6,281,395</u>	<u>(3,944,998)</u>	<u>558,701</u>	<u>(245,000)</u>	<u>(4,315,179)</u>	<u>20,554,665</u>	<u>2,040,000</u>	<u>(138,228,210)</u>	<u>89,221,297</u>	<u>6,768,058</u>	<u>95,989,355</u>

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2020 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 22)

**NEXGRAM HOLDINGS BERHAD**

Company No. 66055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

	<b>CUMULATIVE QUARTER</b>	
	<b>CURRENT YEAR</b>	<b>PRECEDING YEAR</b>
	<b>TO-DATE</b>	<b>TO-DATE</b>
	<b>30 APRIL 2021</b>	<b>30 APRIL 2020</b>
	<b>RM</b>	<b>RM</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(2,627,959)	(2,290,202)
Adjustments for non-cash flow:		
Non-cash items	(357,470)	(1,817,103)
Finance costs	2,483,418	1,558,301
Interest income	(293,201)	(239,174)
Operating (loss)/profit before working capital changes	<u>(795,212)</u>	<u>(2,788,179)</u>
Changes in working capital:		
Net change in current assets	(11,448,480)	(14,867,226)
Net change in current liabilities	<u>(1,311,690)</u>	<u>(16,157,805)</u>
Cash (used in)/generated from operations	<u>(13,555,382)</u>	<u>(33,813,210)</u>
Interest paid	(2,483,418)	(1,558,301)
Tax paid	(49,388)	(598,274)
Tax refund	190,800	955,139
<b>Net cash (used in)/generated from operating activities</b>	<u>(15,897,388)</u>	<u>(35,014,646)</u>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets	(282,370)	-
Purchase of property, plant and equipment	(1,375,459)	(581,658)
Purchase of land held for property development	-	(40,055)
Proceeds from disposal of property, plant and equipment	-	67,150,000
Dividend received	150,884	160,305
Interest received	293,201	239,174
Placement of fixed deposits	(6,354,560)	(911,159)
<b>Net cash generated from/(used in) investing activities</b>	<u>(7,568,304)</u>	<u>66,016,608</u>
<b>Cash flows from financing activities</b>		
Issuance of irredeemable convertible preference share	-	23,454,665
Conversion of irredeemable convertible preference share	8,600,000	-
Issuance of redeemable convertible preference share	-	2,040,000
Repayment to directors	-	(10,423,240)
Advances from director	5,087,152	647,508
Payment of lease liabilities	184,722	-
Repayment of hire purchase creditors	(62,991)	(279,875)
Drawdown of hire purchase creditors	-	419,808
Repayment of borrowings	(389,682)	(235,471)
Drawdown of borrowings	-	-
Repayment of term loans	-	(46,876,726)
<b>Net cash (used in)/generated from in financing activities</b>	<u>13,419,201</u>	<u>(31,253,331)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(10,046,491)</u>	<u>(251,369)</u>
<b>Cash and cash equivalents at 1 Aug</b>	7,803,637	4,601,855
<b>Translation differences</b>	-	-
<b>Cash and cash equivalents at end of period</b>	<u>(2,242,854)</u>	<u>4,350,486</u>
<b>Cash and cash equivalents comprise of :-</b>		
Cash and bank balances	6,923,514	5,215,869
Bank overdraft	<u>(9,166,368)</u>	<u>(865,383)</u>
	<u>(2,242,854)</u>	<u>4,350,486</u>

(The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2020 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 22)

# NEXGRAM HOLDINGS BERHAD

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## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### NOTES TO THE INTERIM FINANCIAL REPORT

#### A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

##### A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 “Interim Financial Reporting” and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the latest audited financial statements of Nexgram Holdings Berhad (“Nexgram” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 July 2020.

The accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 July 2020.

At the beginning of the current financial year, the Group and the Company adopted MFRSs and amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 August 2020.

##### **Standards issued but not yet effective**

The Group and the Company has not applied the following MFRSs that have been issued by the Malaysian Accounting Standard Board (“MASB”) but are not yet effective for the Group and the Company:

##### **MFRSs effective for annual periods beginning on or after 1 August 2021**

- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards, MFRS 9, Financial Instruments, Illustrative Examples accompanying MFRS 16, Leases and MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018 – 2020 cycle)

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
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## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### A1. Basis of preparation (cont'd)

#### MFRSs effective for annual period beginning on or after 1 August 2022

- MFRS 17, Insurance Contracts
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations from the annual period beginning on 1 August 2020 for the accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2020.

The Group and the Company do not plan to apply MFRS 17, Insurance Contracts that is effective for annual period beginning on 1 August 2023 as it is not applicable to the Group and the Company.

The initial application for the accounting standards, amendments or interpretations are not expected to have any material financial impact to the current period or prior period financial statements of the Group and of the Company.

### A2. Qualification of financial statements

There was no audit qualification reported in the audited financial statements of the Group for the financial year ended 31 July 2020.

### A3. Seasonal or cyclical factors

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current quarter under review.

### A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

### A5. Material changes in estimates

There were no changes in the nature and amount of estimates reported in prior financial years that have a material effect in the current quarter under review.

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
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## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### A6. Debts and equity securities

There were no issuance, repurchase, cancellation, resale, and repayment of debt and equity securities of the Company for the current quarter under review except following:

On 1 November 2019, the Company undertake a settlement debt owing to a director, Tuan Haji Mazru bin Mat Yusof (“Tuan Haji Mazru”), as well as selected creditors, Ozura Firstlogix Sdn. Bhd. (“Ozura”) and Capital Day Holdings Sdn. Bhd. (“Capital”). Total debts amounting to RM23,454,665/- will be settled through the issuance of 2,345,466,465 Irredeemable Convertible Preference Share (“ICPS”) at an issue price of

RM0.01 each pursuant to 3 separate settlement agreements on 30 August 2019 (“Settlement Agreements”) in the following manner: -

Director/Creditor	Debt owed by the Group (RM)	No. of ICPS to be issued
Tuan Haji Mazru	10,110,871	1,011,087,071
Ozura	12,543,794	1,254,379,394
Capital	800,000	80,000,000
<b>Total</b>	<b>23,454,665</b>	<b>2,345,466,465</b>

#### Salient term of the ICPS

The ICPS are convertible into new Conversion Shares with the following conversion modes: -

- i. 2 ICPS for every 1 Conversion Share (“Conversion Mode 1); or
- ii. 1 ICPS together with the payment of RM0.01 for every 1 Conversion Share (Conversion Mode 2)

Under Conversion Mode 1, a total of 1,172,733,232 Conversion Shares may be issued upon full conversion of the ICPS. Under Conversion Mode 2, a total of 2,345,466,465 Conversion Shares may be issued upon full conversion of the ICPS.

On 6 December 2019, all the conditions precedent in relation to the debt settlement have been fulfilled and the debt settlement was completed by allotment and issuance of ICPS to the director and selected creditors.



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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**A6. Debts and equity securities (cont'd)**

As at today, the balance for ICPS are as follows: -

Director/Creditor	No. of ICPS	No. of ICPS has been converted	Balance of ICPS
Tuan Haji Mazru	1,011,087,071		960,187,071
- 18 May 2021		(13,000,000)	
- 9 June 2021		(10,000,000)	
- 11 June 2021		(9,300,000)	
- 30 June 2021		(18,600,000)	
Ozura	1,254,379,394		371,379,394
Conversion			
- 13 July 2020		(140,000,000)	
- 17 July 2020		(150,000,000)	
- 17 August 2020		(300,000,000)	
- 26 January 2021		(80,000,000)	
- 22 March 2021		(13,000,000)	
- 29 June 2021		(200,000,000)	
Capital	80,000,000		-
- 20 April 2021		(25,000,000)	
- 20 April 2021		(10,000,000)	
- 3 May 2021		(20,000,000)	
- 10 May 2021		(25,000,000)	
<b>Total</b>	<b>2,345,466,465</b>	<b>(1,013,900,000)</b>	<b>1,331,566,465</b>

**A7. Dividend paid**

There was no dividend paid during the current quarter under review.

**A8. Segmental information**

The segmental analysis of revenue and profit before taxation of the Group for the financial period ended 30 April 2021 is tabulated below:

Segment	Investment holding company RM	ICT Malaysia RM	ICT Oversea RM	Property Investment RM	Logistics RM	Healthcare RM	Elimination RM	Total RM
Revenue	456,000	16,699,319	-	49,616	8,865,276	48,044,179	(157,209)	73,957,181
(Loss)/profit before taxation	(491,781)	592,856	148,764	(1,305,618)	(812,173)	(760,007)	-	(2,627,959)

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**A9. Valuation of property, plant and equipment**

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

**A10. Valuation of investment properties**

The Group did not revalue any of its investment properties during the current quarter under review.

**A11. Material events subsequent to the end of the quarter**

As at the date of the report, being the latest practicable date of this Report, there is no material events subsequent to the quarter ended 30 April 2021.

**A12. Changes in composition of the Group**

There were no changes in the composition of the Group during the financial period ended 30 April 2021 except followings:

**a) Acquisition of 65% equity interest in Arita Holdings Sdn. Bhd. (“AHSB”)**

On 13 October 2020, NMED Industries Sdn Bhd. (“NMEDI”), a wholly-owned subsidiary of the Company entered into a Share Sale Agreement (“SSA”) to acquire 65% equity interest AHSB for a total consideration of RM19,500,000.00 via issuance of Redeemable Convertible Preference Shares in NMEDI.

**b) Incorporation of subsidiaries**

**(i) Incorporation of two wholly-owned subsidiaries, NMED Bioscience Sdn. Bhd. (“NMEDBS”) and NMED Life Science Sdn. Bhd. (“NMEDLS”)**

On 5 August 2020, Nexgram Biomedic Sdn. Bhd. (“NBSB”), a wholly-owned subsidiary of the Company incorporated two wholly-owned subsidiaries, NMEDBS and NMEDLS by way of issuance of 10,000,000 ordinary shares of RM0.01 each, representing 100% equity interest each in NMEDBS and NMEDLS for a total purchase consideration of RM100,000/- respectively.

# NEXGRAM HOLDINGS BERHAD

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## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### A12. Changes in composition of the Group (cont'd)

There were no changes in the composition of the Group during the financial period ended 30 April 2021 except followings (cont'd):

#### (b) Incorporation of subsidiaries (cont'd)

##### (ii) Incorporation of a wholly-owned subsidiary, Vaccine Lab Sdn. Bhd. ("VLSB")

On 7 August 2020, NBSB incorporated a wholly-owned subsidiary, VLSB by way of issuance of 10,000,000 ordinary shares of RM0.01 each, representing 100% equity interest in VLSB for a total purchase consideration of RM100,000/-. On 4 September 2020, the shares owned by NBSB have been transferred to NMEDBS.

##### (iii) Incorporation of a wholly-owned subsidiary, Medical Brands Inc ("MBI")

On 11 August 2020, NBSB incorporated a wholly-owned subsidiary, Medical Brands Inc ("MBI") by ways of issuance of unlimited ordinary shares of USD0.0001 each representing 100% equity interest in MBI in British Virgin Island.

##### (iv) Incorporation of a wholly-owned subsidiary, Medic Asset Group Sdn. Bhd. ("MAGSB")

On 12 August 2020, NBSB incorporated a wholly-owned subsidiary, MAGSB by way of issuance of 10,000,000 ordinary shares of RM0.01 each, representing 100% equity interest in MAGSB for a total purchase consideration of RM100,000/.

##### (v) Incorporation of a wholly-owned subsidiary, NEG Auto Group Sdn. Bhd. ("NAGSB")

On 21 September 2020, NISB incorporated a wholly-owned subsidiary, NAGSB by way of issuance of 10,000,000 ordinary shares of RM0.01 each, representing 100% equity interest in NAGSB for a total purchase consideration of RM100,000/.

##### (vi) Incorporation of a wholly-owned subsidiary, Media Data Science Pte. Ltd. (SG) ("MDSPL")

On 30 September 2020, NBSB incorporated a wholly-owned subsidiary, MDSPL by way of issuance of 1,000 ordinary shares of SGD 0.0001 each, representing 100% equity interest in MDSPL for a total consideration of SGD 0.10/-.

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**A12. Changes in composition of the Group (cont'd)**

There were no changes in the composition of the Group during the financial period ended 30 April 2021 except followings (cont'd):

**(c) Incorporation of subsidiaries (cont'd)**

**(vii) Incorporation of a wholly-owned subsidiary, MDS Data Science (M) Sdn. Bhd. ("MDS")**

On 17 November 2020, NMEDBS incorporated a wholly-owned subsidiary, MDS by way of issuance of 10,000,000 ordinary shares of RM0.01 each, representing 100% equity interest in MDS for a total purchase consideration of RM100,000/-.

**A13. Contingent assets or liabilities**

Save as disclosed below, the Company does not have any contingent assets or liabilities as at the date of the report.

	RM
<u>Contingent liability:</u>	
Corporate guarantee granted to subsidiary companies	<u>10,471,422</u>

**A14. Capital commitments**

There were no capital commitments during the period under review.

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING  
REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of performance**

	Individual Period (1 <sup>st</sup> Quarter)		Changes %	Cumulative Period		Changes %
	Current Quarter	Preceding Quarter		Current Year To- date	Preceding Year Corresponding Period	
	30 Apr 2021 RM'000	30 Apr 2020 RM'000		30 Apr 2021 RM'000	30 Apr 2020 RM'000	
Revenue	27,717	4,497	>100	73,960	25,438	>100
Operating loss	(1,352)	(1,032)	31	(178)	(594)	70
Loss before interest and tax	(1,408)	(1,256)	12	(2,921)	(2,529)	16
Loss before tax	(1,201)	(1,195)	-	(2,628)	(2,290)	15
Loss after tax	(1,201)	(1,188)	-	(2,608)	(2,401)	9
Loss attributable to Ordinary Equity Holders of the parent	(989)	(656)	51	(2,835)	(2,321)	22

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### B1. Review of performance (cont'd)

#### (a) Performance of the current quarter/ period against the preceding year corresponding quarter/ period

The Group recorded revenue of RM27.7 million in the current 3-months financial period ended 30 April 2021 as compared to RM4.5 million reported in the previous year corresponding period. The Group's revenue increased tremendously by 515.6% mainly due to revenue contribution from the new division (i.e. healthcare) which mainly attributable from manufacturing of medical plastic products, providing Tracvirus Covid-19 related services and distribution of Covid-19 test kits.

The Group recorded a loss before taxation of RM1.2 million for the current 3-months financial period ended 30 April 2021 as compared to a loss before taxation of RM1.2 million reported in the preceding year corresponding period.

#### (b) Performance of the financial year-to-date against preceding year corresponding period

The Group recorded revenue of RM74.0 million in the current 9-months financial period ended 31 January 2021 as compared to RM25.4 million reported in the previous year corresponding period. The Group's revenue increased by 191.3% mainly due to revenue contribution from the new division (i.e. healthcare) of RM48.0 million which mainly attributable from manufacturing of medical plastic products, providing Tracvirus Covid-19 related services and distribution of Covid-19 test kits.

The Group recorded a loss before taxation of RM2.6 million for the current 9-months financial period ended 30 April 2021 as compared to a loss before taxation of RM2.3 million reported in the preceding year corresponding period. The increase in loss before taxation recorded in the current quarter was mainly attributed by the operating expenses and finance cost from the subsidiaries in ICT and healthcare division.

**NEXGRAM HOLDINGS BERHAD**Company No. 660055-H  
(Incorporated in Malaysia)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021****(c) Performance of the current quarter against the preceding quarter**

	<b>Current Quarter 30 Apr 2021 RM'000</b>	<b>Immediate Preceding Quarter 31 Jan 2021 RM'000</b>	<b>Changes %</b>
Revenue	27,717	33,294	(16.8)
Operating (loss)/profit	(1,352)	3,440	(>100)
(Loss)/Profit before interest and tax	(1,408)	3,269	(>100)
(Loss)/Profit before tax	(1,201)	1,410	(>100)
(Loss)/Profit after tax	(1,201)	1,406	(>100)
(Loss)/Profit attributable to Ordinary Equity Holders of the parent	(989)	819	>100

For the current quarter ended 30 April 2021, the Group recorded revenue of RM27.7 million as compared to RM33.3 million recorded in the previous quarter ended 31 January 2021. The Group's revenue decreased 16.8% due to the decrease in revenue contribution from subsidiary in healthcare division.

The Group recorded a loss before taxation of RM1.2 million for the current quarter ended 30 April 2021 as compared to profit before taxation of RM1.4 million recorded in the previous quarter ended 31 January 2021. The profit decreased in this quarter mainly due to decrease in revenue contribution from healthcare division which are manufacturing of medical plastic products,.

**B2. Current year's prospect**

The Management views that year 2021 will continue to be a challenging year due to the current economic and politics issues taken part in Malaysia. The Group will continue to venture in ICT division involves in the trading and distribution of security and video surveillance equipment and logistics division involves in the provision of handling, stock piling, receiving and loading of dry bulk cargo (i.e. bauxite, iron ore, manganese ore and etc.) services at Kuantan Port, Kemaman Port, Johor Port and Batu Pahat jetty.

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### B2. Current year's prospect (cont'd)

The unprecedented COVID-19 pandemic has certainly created severe impact to humanity with lives being lost to the pandemic, borders closed by the Governments in most countries around the world. Malaysia is no exception to these impacts. While there are economic uncertainties arising from the impact of this pandemic, we continue to believe that our business is resilient as during the lockdown, online businesses and services will be in greater demand. The prolonged pandemic with the slow rollout of the Covid-19 vaccination programme and the ongoing lockdown will have a negative impact on the recovery of the Malaysian economy.

The Covid-19 pandemic provides new opportunities for the company to provide medical solutions and introduce Covid-19 health screening. Tracvirus is an open platform which continue to provide service for Covid-19 health screening and vaccination report to public and private hospitals and clinics.

On 24 March 2020, the Prime Minister Tan Sri Dato' Haji Muhyiddin bin Haji Muhammad Yassin welcomed the "public-private partnership" between the Malaysian Civil Defence Force (Angkatan Pertahanan Awam Malaysia, "APM") and Nexgram Holdings Berhad in launching the TracAPM Digital System. The TracAPM Digital System has been tested in the Kuala Lumpur International Airport (KLIA) and will be used to digitally process travellers at the KLIA entry point and can also be used to verify Vaccine Passports to be issued by Malaysia and other countries. Travellers coming to Malaysia can register for the "SafeTravelPass" online at <http://safetravelpass.tracvirus.com.my>. This digital pass can be verified by the TracAPM system at all airports and borders including the KLIA upon arrival. APM will implement and integrate the TracAPM Digital System with Ministry of Foreign Affairs, the Immigration Department Malaysia, the National Disaster Management Agency (NADMA) and other relevant agencies to ensure secure and safe travel in and out of Malaysia.

Healthcare continues to progress well, with government project SafeTravelPass COVID-19 entry-registration, payment and management of Quarantine-Station and government services contributing positively in current financial year. COVID-19 tests partnership with government is looking at positive return in coming quarter after much capital investment in last two (2) quarters, in view of taking part of mass screening assignment engaged with government health facilities. Government project capital investment continue to weight on current quarter which is normal for concession early investment. The Group other healthcare segment is expanding on capacity resulted in further cost. The healthcare segment had experienced lower margin and recent success in contracts shall expect to contribute to bottom line in coming quarter.

Despite the challenges, the Company is cautiously optimistic that the long-term outlook for the company continues to remain positive as we continuously introduce innovative services in the country and as well as within our regional presence.



**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**B3. Variance of actual profit from forecast profit**

The Group has not published or issued any profit forecast for the current period and financial year as at the date of the report.

**B4. Profit before tax is stated after charging/ (crediting):**

	<b>Quarter ended 30.04.21 RM</b>	<b>Year to date 30.04.21 RM</b>
Depreciation of property, plant and equipment	65,708	485,450
Interest expense	(154,349)	2,483,418
Interest income	(207,414)	(293,201)
Realised loss on foreign exchange	(46,321)	(46,321)
Unrealised loss on foreign exchange	(11,995)	(11,995)

**B5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to-date	Preceding year corresponding period
	<b>30.04.21 RM</b>	<b>30.04.20 RM</b>	<b>30.04.21 RM</b>	<b>30.04.20 RM</b>
Current period's provision	-	(2,383)	-	(146,535)
Deferred tax provision	(170)	10,161	19,725	35,793
<b>Total</b>	(170)	<b>7,778</b>	19,725	<b>(110,742)</b>

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021****B6. Status of corporate proposals and utilisation of proceeds**

There were no other corporate proposals announced by the Company as at the date of the report except the following:

a) Proposed disposal of eleven (11) storey stratified office building, Nexgram Tower

On 31 December 2018, Coconut Three Sdn. Bhd., a wholly-owned subsidiary of the Company has entered into a Sale and Purchase Agreement (“SPA”) with IMS Development Sdn. Bhd. (“IMS”) for the disposal of 11 storey stratified office building located at Kuala Lumpur for a total consideration of RM67,000,000/-.

On 23 August 2019, an Extraordinary General Meeting (“EGM”) of the Company was held for the purpose to obtain approvals of all relevant parties and/or authorities Coconut Three Sdn. Bhd. to dispose Nexgram Tower to IMS for a cash consideration of RM67,000,000/- and upon such terms and conditions as set out in the sale and purchase agreement (“SPA”) dated on 31 December 2018.

The Disposal has been completed on 25 June 2020 in accordance with the terms and conditions of the SPA.

The proceed arising from the disposal of RM67,000,000/- are intended to be utilised as follows: -

	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Intended timeframe for utilisation</b>
Repayment of bank borrowings	48,800	48,655	Within six (6) months
Provision of payment of judgement sum to Spacious Glory Sdn Bhd	12,500	-	Within six (6) months
Retention of rental and utilities deposits paid by Nexgram Tower's tenants	1,000	894	Within six (6) months
Payment to non-trade creditors	1,600	1,241	Within six (6) months
Working capital	2,800	3,326	Within six (6) months
Expenses in relation to the Proposed Disposal	300	384	Within one (1) month
<b>Total</b>	<b>67,000</b>	<b>54,500</b>	

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021****B7. Borrowings and debt securities**

Save as disclosed below, the Group does not have any loan outstanding or created, convertible debt securities, mortgages or charges outstanding as at 30 April 2021.

<b>Secured borrowings</b>	<b>Payable within 12 months (RM)</b>	<b>Payable after 12 months (RM)</b>
Denominated in: Malaysian Ringgit	58,282,052	13,710,841

The above borrowings are in the Malaysian currencies. There has been no default on payment of either interest and/or principal sum, in respect of the abovementioned borrowings throughout the past one (1) financial year.

**B8. Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at the date of the report.

**B9. Material litigation**

There is no material litigation as at the date of the report except following:

- a) Legal suit with Spacious Glory Sdn. Bhd.

Spacious Glory Sdn. Bhd. (“Plaintiff”) against Nexgram Land Sdn. Bhd. (currently known as Coconut Three Sdn. Bhd. (“CTSB”)) (“Defendant”)

CTSB (“Appellant”) against Spacious Glory Sdn. Bhd. and Lau Tian Kit (collectively the “Respondent”)

CTSB, a wholly-owned subsidiary of the Company had on 18 July 2017 received a sealed Writ of Summons dated 13 July 2017 and the Statement of Claim dated 12 July 2017 from Spacious Glory Sdn Bhd’s solicitors claiming the sum of RM12,500,000 from CTSB, being the purchase consideration for the sale and purchase of 770,000 ordinary shares, representing 70% equity interest in Blue Hill Development Sdn Bhd (“BHD”) by CTSB from the Plaintiff pursuant to the Sale and Purchase Agreement dated 14 April 2016 (“**BHD SPA**”).

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### B9. Material litigation (cont'd)

On 21 August 2017, CTSB filed a counter-claim against the Respondent for inter alia misrepresentations made by the Respondent to CTSB prior to the execution of the BHD SPA.

The High Court had on 20 July 2018 allowed the claim in the original action by the Plaintiff and ordered CTSB to pay RM12,500,000 plus interest. As for the counterclaim, the High Court allowed the counterclaim in part by finding that there was representation but did not grant an order to rescind the BHD SPA.

Pending the hearing of the appeal at the High Court, an application by the intended intervener to intervene on the case, the case is fixed for hearing on 9 October 2019 which was postponed to 7 November 2019.

On 17 January 2020, the Court of Appeal dismissed the Appellant's 2nd Motion for a stay of appeal. On 27 March 2020, the Court of Appeal has fixed on 28 August 2020 as the hearing of the appeal proper which was subsequently adjourned by the court to 26 April 2021.

Now the court has fixed for Case Management pending obtaining Sanction from Director General of Insolvency ("DGI") on 05.07.2021.

#### b) Legal suit with Lau Tian Kit

Coconut Three Sdn. Bhd. ("Plaintiff") vs Lau Tian Kit ("Defendant")

The Plaintiff had on 11 August 2018 filed a Writ and Statement of Claim dated on 9 August 2018 in Kuala Terengganu High Court against the Defendant to claim for compensation for breach of Profit Guarantee Agreement dated on 14 April 2016 ("Profit Guarantee Agreement") given by the Defendant to the Plaintiff in which BHD had failed to achieve RM2,000,000/- post-tax profit and instead incurring a loss of RM5,250,311/- as at 31 July 2017. In Statement of Claim, the Plaintiff is claiming from the Defendant the following ("Claim"):-

1. the sum of RM7,250,311/- to be paid by the Defendant to the Plaintiff;
2. interest at the rate of 5% per annum on the sum of RM7,250,311/- to be calculated from 30 September 2017 up to the date of full settlement by the Defendant to the Plaintiff;
3. costs of action on solicitors-client basis to be paid by the Defendant to the Plaintiff; and

# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2021

### B9. Material litigation (cont'd)

4. further and/or other relief that the Court deems just and/or suitable and/or fair.

On 20 September 2018, the Plaintiff had filed a Notice of Application for Summary Judgment against the Defendant. The Plaintiff had then served the unsealed Notice of Application and Affidavit in Support dated on 19 September 2018 and the sealed Notice of Application on 24 September 2018.

Subsequently, by the consent of both the Plaintiff and Defendant, the Plaintiff had withdrawn its application for Summary Judgment and the Defendant had withdrawn its application for striking out and the full trial took place on 14 January 2019. Oral clarification before the Honourable Judicial Commissioner was fixed on 31 May 2019, before the decision to be pronounced by the Court.

On 19 June 2019, the Court dismissed Plaintiff's Claim with cost on the basis that the audited financial statement used by the Plaintiff to refer to the post-tax profit under the Profit Guarantee Agreement of BHD is the audited financial statement dated 31 July 2017 and not the audited financial statement dated 30 September 2017 which should be the basis of the Claim.

The Plaintiff has on 16 July 2019 filed an appeal in the Court of Appeal and fixed 30 June 2020 for the hearing of the appeal on the Profit Guarantee Agreement.

On 4 October 2019, the Court of Appeal has fixed 30 June 2020 as the hearing of the appeal but it was vacated and converted to e-review to enable the Applicant to fix a hearing date of its Notice of Motion for Extension of Time. The Respondents have indicated that they are not objecting to the application for extension of time by the Appellant. Subsequently, the Court has fixed the date of the hearing of the appeal on 9 November 2020 and which was extended to 3 May 2021.

Now the case is fixed for Case Management on: 22.07.2021 pending obtaining Sanction from DGI.

#### (c) Legal Suit with Justin Faye & Partners

Winding Up Petition served on CTSB ("Respondent") by Justin Faye & Partners ("Petitioner")

This Winding Up Petition was filed by Messrs. Justin Faye & Partners, the Petitioner on 04.02.2020. The said Winding Up Petition was heard and on 11.02.2021 and the Court has ordered that Coconut Three Sdn. Bhd. (Company No.: 1016195-X) be wound up by the Court under the provisions of the Companies Act, 2016.

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021**

**B9. Material litigation (cont'd)**

Both the Respondent and the Petitioner filed Application to appoint their own Private Liquidators and both said Applications were dismissed by the Judicial Commissioner Nadzarin Bin Wok Nordin on 05.02.2021.

In order to proceed with the other cases Sanction need to be obtained from DGI.

Thus, we have made the relevant application for the said Sanction and now we are waiting for the approval from DGI.

**B10. Dividend**

There is no dividend declared for the current quarter under review.

**B11. Earnings per share**

(a) Basic

Basic earnings per shares is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Current Quarter</b>	<b>Current Year to date</b>
Loss attributable to ordinary equity holders of the Company (RM)	(989,329)	(2,835,145)
Weighted average number of shares	2,393,026,398	2,393,026,398
Basic earnings per shares (sen)	(0.04)	(0.04)

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 APRIL 2021****B11. Earnings per share****(b) Diluted**

Diluted earnings per shares is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue and issuable during the period.

	<b>Current Quarter</b>	<b>Current Year to date</b>
Loss attributable to ordinary equity holders of the Company (RM)	(989,329)	(2,835,145)
Weighted average number of shares	2,393,026,398	2,393,026,398
Effects of dilution in outstanding warrants	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	2,393,026,398	2,393,026,398
Diluted earnings per shares (sen)	N/A	N/A